

Minutes

Board

24 April 2024 | 10:00 AM - 01:30 PM, 1 Reserve Road, St Leonards, and Microsoft Teams

Attendees

Nigel Lyons (Chair), Carmen Rechbauer, Cathryn Cox, David Currow, Gayle Murphy, Michael Legg, Nicholas Hawkins, and Elizabeth Salisbury.

Apologies: Darren Turner

In Attendance: Vanessa Janissen (Chief Executive), Darren Croese for Item 3, Deanna Paulin for Item 4 and 8, Mitch Byron and Rob Lindeman for Item 5, Juliana Iles-Mann and Stephen Braye for Item 7 and Lyn Baker for Item 10.

Secretariat: Tanya Dunn

Welcome, Acknowledgment of Country and Emergency Management

The Chair opened the meeting with acknowledgement of country and welcomed all in attendance.

The Chair **NOTED** the apologies received.

A quorum of Board members was present, and the meeting proceeded with business. The Secretariat recorded the minutes.

Declarations of Conflict of Interest

The Board Chair requested that all attendees declare or remove any conflicts of interest at the meeting.

There were no new conflicts of interest declared at the meeting.

Confirmation of previous Minutes and Review of Action Log

Board members were invited to comment on the minutes.

The members of the Board **APPROVED** the draft Board meeting minutes of the 26 February 2024 as an accurate record of the meeting.

The Action Log was reviewed and noted. The pending actions were reviewed and discussed. Items that are completed or on today's agenda were also acknowledged.

Chief Executive Update

The Chief Executive report was taken as read.

Noting:

- An Executive Forum with 60 leaders was held to discuss and outline plans for creating laboratories of the future as well as budget stabilisation. The forum highlighted FY2024 achievements. Future planning and budget stabilisation for FY2025 were discussed. Attendees expressed an interest to understand how prioritisation, sequencing, and governance are addressed. During the two-day meeting in May, the Strategic Leadership Team (SLT) will discuss the requirements, which will then be finalised and incorporated into the operational plan and budget.
- Proposal to provide pathology services to Wyvern Private Hospital. The resource pack linked to the brief includes an outline of the proposal.
- ACON is a multidisciplinary healthcare service that supports LGBTQ+ communities. Working with Sydney Local Health Districts to support collection for this service.
- Work is ongoing with Hunter New England Local Health District around the transition of Moree and Narrabri laboratories from SydPath to NSW Health Pathology. St Vincent's Hospital Executive Team is working on the transition, which is scheduled for October 2024.
- The Hawkesbury Hospital, operated by the St John of God, will be handed over to Nepean Blue Mountains Local Health District by 30 June 2024. NSWHP has engaged in due diligence on the laboratory that is currently provided by ACL. ACL will continue to operate the laboratory for at least another year. The decision to transition the laboratory to NSWHP will be evaluated.
- The dispute between Technical Officers and Scientific Officers has been extended until June 2024. Work is underway to align with laboratories of the future with regard to workforce profiles, roles and responsibilities, and workflow redesign.
- A simulation event conducted by Gartner provided valuable insights into business continuity and response plans. Trigger points for transitioning from emergency IT response to broader continuity strategies were identified as priority areas. Further work will be undertaken to improve procedures linked to broader continuity plans and collaboration, in particular, around collaboration and escalation of issues to eHealth and the Ministry of Health.
- An update was provided on the recent Special Commission of Inquiry interviews, focusing on governance. Interviews were held with Vanessa Janissen, Dr Michael Maley, Dr James Branley, and Professor Anthony Gill. The Board acknowledged that NSWHP will consider what learnings they can take from this experience. Priority is given to maintenance of strong relationships with our Local Pathology Directors and Senior Operations Managers, Clinical Stream Leads, and the broader clinical operation throughout the state.
- Discussion on Anatomical Pathology (AP), including the shortage of workforce and the shift in AP demand. In May, Clinical Directors will participate in a workshop to discuss the complexity of anatomical pathology related to workload and preparing for future service provision. With a specific

focus on digital technology and the roles of cut-up scientist and registrars. The Board have requested an update at the June Board meeting regarding the AP Strategy.

- The Chief Executive praised the Forensic Medicine and Forensic and Analytical Science Service teams for their outstanding work in relation to the recent Bondi incident. The Board requested that their appreciation be passed on to the relevant teams.

Action: Present the operational plan for FY24/25 to the Board. Provide an update on ongoing work related to service transition, reshaping laboratories, budget stabilisation and revenue efficiency targets.

The Board **NOTED** the update provided.

Update on non-compliance risk at Lismore

Darren Croese, Chief Operating Officer, NSW Health Pathology provided an update on the non-compliance risk at Lismore.

- The Lismore laboratory experienced challenges with onsite supervision and governance.
- The National Association of Testing Authorities (NATA) determined that the Lismore laboratory should cease processing non-complex anatomical pathology specimens. A contingency plan was established to ensure that service quality, turnaround times, and patient care were not affected. The audit process has been revised to include vertical audits.
- A discussion was held around the scope of practice for dissection scientists. The Westmead laboratory provides an effective training program for dissection scientists. A working group from the Anatomical Pathology Clinical Stream is working with Cain Byrnes, Director, Clinical Governance and Collin Sheppard, Associate Director, Clinical Governance (Quality) to standardise training throughout NSWHP.
- The Royal College of Pathologists Australasian (College) is also exploring training programs for dissection scientists.

The Board thanked Darren Croese for the update provided and requested to be kept informed on accreditation-related matters.

The Board acknowledged Elizabeth Salisbury and her team for actively working to improve training processes and a structured training program, particularly a clearly defined scope of practice for dissection scientists.

People Strategy | 2024/25 Rolling Implementation Plan

Deanna Paulin, Director, People and Culture provided an update on the People Strategy Implementation Plan (Plan) and how it aligns with the People Strategy (Strategy). The aim is to create a workplace where everyone feels a sense of belonging, safety, and value.

- The Strategy is currently focused towards 2025, with priority outcomes and initiatives extending beyond that timeframe.
- The roles and responsibilities of the Board, SLT, People and Culture portfolio, leaders, and managers were highlighted.
- Six priority strategic outcomes from the Strategy are incorporated into actions within the Plan. Two priority outcomes identified over the next 12-24 months. 1. We feel safe and valued, and 2. Our leaders are considerate, accessible, and authentic.
- Initiatives are related to the laboratories of the future program and the budget stabilisation plan. The Board highlighted the importance of ensuring cultural support to staff during challenging times associated to these programs.
- The Plan includes both new programs/projects and ongoing initiatives, highlighting the need of aligning all work with the Strategy. Feedback was provided to ensure that program/project briefs reference the Strategy.
- Investing in leadership development is a top priority. Leaders will receive resources, tools, mentoring, and support in the coming months.
- The People Strategy Scorecard ensures transparency and regular monitoring of priority outcomes. The Scorecard will be reported bimonthly to the Finance and Performance Committee and distributed throughout NSWHP. The April Scorecard indicated positive progress, successful implementation of programs, and outcomes achieved.
- The Board were encouraged to provide feedback to the Plan, as their input is valuable in ensuring alignment with initiatives and identifying key priority areas.

Action: The Board requested a 12 month progress update on the People Strategy Implementation Plan.

Creating Labs of the Future, Our Finances and Focus for 2024

Rob Lindeman, Director, Clinical Transformation, Mitchell Byron, Acting Director, Finance and Corporate Services, provided a presentation to the Board on Creating Labs of the Future, Our Finances and Focus for 2024.

Noting:

- Implementation of a three-year savings plan to achieve recurrent savings across various focus groups. Additional expense efficiencies are anticipated in FY2025/26, contributing to a near-balanced budget position.
- As of March, the FY2024 forecast reported unfavourable results. However, savings have been achieved across eight focus groups, achieving the FY2024 target. Areas of focus include leave management, business development, and procurement. Tools will be rolled out to support

operational laboratory managers with leave management. Benchmarks will be introduced, and a process evaluation is already underway for paper-based leave requests and variations between Healthroster and SARA. Addressing on-call allowance variation through rostering practices is also a focus area.

- Structural reform and labour management are progressing more slowly than anticipated, tracking behind the FY2024 target. Using ABC data at the facility level is the next step to optimise staffing. When considering significant changes, the Labour Management group recognises the impact of increased activity on resource management, and the possible impact any changes on patient care and quality.
- The savings identified through a comprehensive expenditure review will help to achieve a near-balanced budget position in FY2025/26.
- The focus group is reviewing the statewide standard research pricing to ensure cost recovery and accurate billing. The introduction of a standard infrastructure charge on the Patient Episode Initiation Fees (PEI) from FY2025 is expected to increase revenue for the General Fund.
- Savings have been identified across goods and services, including IT projects and statewide data centre cost optimisation. The procurement group is focusing on current tenders for FY2025 across various clinical streams.
- The rollout of automated testing platforms in FY2025 is intended to capture efficiencies and align with budget initiatives. Ensuring IT resource alignment during the rollout is a risk area for the focus group.
- Using activity-based costing data at the test level will help to identify workflow variations and align processes for cost reductions. Conversations about pricing principles, consistency, and usage are ongoing, and will help to improve decision making.
- Recent changes in laboratory configuration have included enhancing point of care services in some regional areas of NSW.
- The gradual rollout of automated platforms throughout laboratories will streamline testing. Automated refrigeration will facilitate reflex testing, and instrument replacements are planned to improve efficiency.
- Efforts are ongoing to consolidate low-volume tests and reduce unnecessary duplication across laboratory sites. Data sources continue to inform decision making, and Communities of Practice are providing valuable insights.
- The work related to pathology stewardship is progressing. Meetings to be scheduled involving clinicians from Local Health Districts. A dossier of material is being compiled.

- An update on the Whole of Government savings, with the focus on monitoring performance across four groups; advertising, consulting, legal, and travel. In FY2024, the consultancy spend has been reduced to nil. Legal and advertising targets are challenging, reflecting broader trends. Travel reduction (excluding the TESL component) is considered achievable and has decreased as of March reporting.
- A discussion was held about the impact of GST calculations.
- The Board thanked Rob Lindeman and Mitchell Byron for their updates and asked for regular progress reports.
- The Board acknowledged the commitment of the SLT and the broader teams in driving initiatives and ongoing work in FY2025. The progress made is encouraging, and having a strategy and achieving targets instils confidence to the Board. The Board asked about how they might further assist the SLT and their teams. The upcoming two-day SLT meeting in May will be an opportunity to discuss and explore ways to enhance Board support and alignment.

The Board **NOTED** the updates provided and shared their appreciation for the efforts involved and asked to continue receiving regular progress updates.

Paediatric Pathology

Vanessa Janissen provided an overview of the NSW Steering Committee's collaborative responses to the Priority Working Group Report's recommendations and findings on paediatric pathology.

Noting:

- The joint response was commissioned in September 2022 to explore the feasibility of a statewide paediatric pathology service. The aim is to optimise skills and expertise throughout NSW Health Pathology (NSWHP) and Sydney Children's Hospitals Health Network (SCHN).
- The consultation process included discussions about workflows, sample processing, workforce, and technology. There were 74 recommendations for delivering paediatric pathology across NSW. An advisory group reviewed these recommendations and agreed on 54 principles related to cross-training, sharing best practices, workflows, policies, technology, and clinical engagement.
- The establishment of the Paediatric Pathology Community of Practice to support the delivery of outcomes.
- The focus is on standardising approaches to paediatric pathology. Establishing infrastructure and foundations for closer collaboration. Having a single lab system will facilitate this alignment, and shared foundational systems will prepare both for future operations.
- The function of pathology services in the community was discussed as care moves beyond hospitals, allowing for a more community-focused model of care.
- Urgent care centres and regional community collaboratives are considerations.

The Board **NOTED** the overview provided.

Action: At the October Board meeting, the Board requested a six-month progress update.

Culture, Safety and Wellbeing

The Culture, Safety and Wellbeing report was taken as read.

Deanna Paulin, Director, People and Culture provided an update.

- There are currently 65 open workers compensation claims for FY2024. Monitoring trends and ensuring consistency in injury mechanisms is a focus area. The top three claim types are body stressing, mental health, slips, trips, and falls. Addressing these areas can significantly impact overall workplace safety.
- There has been an increase in the use of the Employee Assistance Program (EAP).
- Handling 193 pre-employment functional assessments within a month highlights recruitment volume.
- Ensuring staff compliance with mandatory flu vaccinations by 1 June 2024.
- The dispute between the Technical Officer and Scientific Officer is a significant risk. Discussed as part of the Chief Executive's update. Focusing on laboratory structures, roles, and consistency in applying policies can help mitigate industrial relations risks.

The Board **NOTED** the update provided.

Finance and Performance Committee

The Finance and Performance Committee report was taken as read.

Highlights of the Scorecard was noted.

Gayle Murphy, Acting Chair of the Finance and Performance Committee noted the financial performance.

Noting:

- The staff is working hard focusing on financial reform while maintaining business as usual.
- The forecast indicates an unfavourable budget for FY2024. However, there has been an improvement from earlier projections. Noting that organisations across the state are facing similar challenges.
- NSWHP has achieved efficiency savings for FY2024 as part of its budget stabilisation program. The team is actively seeking broader strategies.
- BAU activity growth, particularly, with seasonal winter issues impacting both NSWHP and the Local Health Districts (LHDs).
- The Board is satisfied with the progress made towards efficiency savings. The Board will continue to monitor progress on the strategies and receive reports at each Board meeting.

- Key stakeholders, including Deputy Secretaries from the Ministry of Health, have received a copy of the presentation from the April Board meeting. Addressing structural issues requires support from the Ministry of Health and Local Health Districts.

The Board **NOTED** the updates provided.

Audit and Risk Management Committee

The Audit and Risk Management Committee report was taken as read.

Lyn Baker, Chair, Audit and Risk Management Committee provided an update to the Board.

Noting:

- Recent audits indicated positive results, with no recommendations for improvement or only minor improvements. Specifically, the asset management and incident management audit had favourable results.
- The independent assessment of the internal audit function resulted in a favourable report.
- Budget stabilisation is an emerging issue. Although savings were achieved this year, budget stabilisation remains a challenge. Cooperation with the Ministry of Health is required to address this issue.
- The Technical Officer and Scientific Officer matter is ongoing, and the ARMC will closely monitor developments.
- Fusion, cybersecurity, people, and culture remain key areas of focus for the ARMC.
- Once the SLT finalise its strategies, the ARMC will reassess their priorities. People and culture and cybersecurity are likely to remain focus areas, particularly given the budget stabilisation program and associated changes.

The Board **NOTED** the update provided and acknowledged the role of the ARMC Chair and the independent members in the work being done.

Quality and Clinical Safety Committee

The Quality and Clinical Safety Committee Report was taken as read.

Nick Hawkins, Chair of the Quality and Clinical Safety Committee provided an update to the Board.

Noting:

- Middleware issues between analysers and the laboratory information system caused significant disruption to release of some results. The issue is now resolved. Business Continuity Plans (BCPs) were activated during the disruption. Reports indicate that the BCPs were effective during the disruption.
- Auslab, primarily in the North, faces ongoing problems related to system capacity. The transition to Fusion should address these issues and enhance system performance. As NSWHP transitions to

Fusion and Epic, engagement with system providers is important to ensure system stability and long-term sustainability.

- NATA supervision challenges and upcoming accreditations. Ensuring effective supervision practices across all sites is a key focus area. The Board were informed of upcoming accreditations.
- The establishment of a subgroup of the Quality and Clinical Safety Management Committee will increase focus and accountability. This subgroup will address specific issues related to quality and safety concerns. In addition, the establishment of the Data and Technology Committee will enhance operations and address relevant data issues. Regular reports will be presented to relevant Board Subcommittees.
- The Board **NOTED** the update provided.

Clinical Council

Report only by exception.

Vanessa Janissen provided an outline of the agenda for the upcoming Clinical Council meeting in May 2024. Topics for discussion at the meeting include laboratories of the future and pathology stewardship.

Medical Staff Executive Council

Report only by exception. No update was provided as the April meeting of the Medical Staff Executive Council was cancelled.

Medical and Dental Appointments Advisory Committee

The Medical and Dental Appointments Advisory Committee report was taken as read.

Report only by exception.

- Nigel Lyons highlighted the importance of involving medical professionals in the appointment process.
- The Committee have requested that the Medical Workforce and the incoming Director, Medical Services (DMS) review the Recency of Practice document for more detailed responses from Supervisors to assist MDAAC's assessment regarding a Practitioner's recency of practice in NSWHP.
- The Board Chair acknowledged Dr Michael Whiley's contributions as Chief Pathologist and Director, Medical Services to NSWHP. Dr Whiley will be transitioning to a new role. There will be a new Director, Medical Services and a new Chief Pathologist appointed.
- There was discussion around genomics. A workshop with key leaders will be organised to discuss the future strategy in genomics. NSWHP's strategy needs to align with the Ministry of Health's strategy. Noting the importance of staying involved in policy development related to genomics.

Fusion and Single Digital Patient Record Update

Juliana Iles-Mann and Stephen Braye provided an update on the Fusion program and the Single Digital Patient Record program and an overview of the timeline.

- Project progress. The project is currently in Q2. The current status is amber.
- Close collaboration with Epic is ongoing, involving dedicated meetings with applications managers. Teams are being assembled, and recruitment is being finalised. An orientation week is being finalised.
- Staff training is scheduled to begin 27 May 2024 (6 week training period). After training moving into the critical configuration phase.
- The first go-live is planned for early 2026, starting with Hunter New England Local Health District and Justice Health. Third party applications are progressing, with 27 domains being set up.
- The Epic team is currently being assembled. Initially, around 80 team members are involved, with plans to expand during implementation. At peak capacity, there could be up to 250+ team members.
- The team will include application managers and directors specifically designed to the Beaker product.
- During the presentation, the discussion focused on accountability for deliverables within governance groups. Further discussions are planned among Epic, Ministry of Health, eHealth and NSWHP regarding the accountability and responsibilities of each agency.
- Considering the future beyond the current phase and envisioning what NSWHP will look like post-Fusion and SDPR is an important discussion.
- Noting that as we consider the future beyond the current phase and envisioning what NSWHP will look like post-Fusion and SDPR is an important discussion
- The Quality Management Information System project will be rebaselined in the next report.
- The Statewide Laboratory Information System (LIMS) schedule has been delayed, with ongoing rebaselining of the budget.
- The Board **NOTED** the update provided and thanked Juliana for her dedication and hard work to the programs of work.

Items without notice

- Nick Hawkins raised a concern about teaching and museum pathology specimens. These specimens reside in Local Health Districts or medical museums and serve as valuable teaching resources. To ensure maintenance and preservation, there may be an opportunity for NSWHP to consolidate these collections. Aligning this work with existing tissue bank processes could be beneficial. However, noting that this initiative might exceed the scope of NSWHP's remit. Vanessa Janissen will raise this topic for further consideration with the SLT and report back to the Board.

- The Board Chair thanked Chairs of the Board Subcommittees for their hard work. Their efforts within their Board Subcommittees contribute value to Board meetings by ensuring that relevant topics are discussed.
- The Board will be invited to participate in an early future strategy planning session, as part of the next strategic planning cycle.

Board Evaluation

- The Board Chair thanked Board members for their reflections regarding today's Board meeting. The feedback acknowledged the meeting's constructive nature, with a focus on strategy. The active participation and valuable insights of the Board members contribute significantly to the value of the Board meeting. In addition, the responsiveness of management in addressing raised issues is highly appreciated.

Meeting Close

With no other business to come before the meeting, the meeting was closed at 1.17pm.

For Information

NSW Health Pathology Scorecard

The Scorecard was provided for information and taken as read.

SLT Dashboard

Noted for information.

Medical and Dental Appointments Advisory Committee Meeting Minutes

Noted for information.

Finance and Performance Committee Meeting Minutes

Noted for information.

Audit and Risk Management Committee Meeting Minutes

Noted for Information.

Clinical Council Committee Meeting Minutes

Noted for information.

Quality and Clinical Safety Committee Meeting Minutes

Noted for information.

Medical Staff Executive Council Committee Meeting Minutes

Noted for information.

Revised Board Subcommittee Charters

Noted for information.

Next meeting

Wednesday 26 June 2024.

Endorsed by Nigel Lyons, Board Chair, NSW Health Pathology

Action Log NSW Health Pathology Board

Date	Action	Lead	Status
26/10/23 Item 6	Investigate the salary packaging issues concerning FASS. <i>* NSWHP is working with the Ministry of Health Principal Taxation advisor on the submission to the Australian Taxation Office for a binding private ruling on whether these FASS staff are eligible to salary package. This submission is expected to be lodged with the ATO early in 2024 so we will expect a ruling prior to the end of the financial year.</i>	Nick Dunn	June 2024

Date	Action	Lead	Status
26/04/23 Item 6	The Board will be provided with a copy of the Minister's briefing and value proposition for information. Minister's visit to FASS scheduled for the 1 July 2024.	Vanessa Janissen	July 2024

Date	Action	Lead	Status
24/04/24 Item 5.	Present the operational plan for FY24/25 to the Board. Provide an update on ongoing work related to service transition, reshaping laboratories, budget stabilisation and revenue efficiency targets.	Nick Dunn	June 2024 <i>On agenda</i>

Date	Action	Lead	Status
24/04/24 Item 6.	The Board requested a progress update on the paediatric pathology recommendations in six months at the October Board meeting.	Cathryn Cox	October 2024

Date	Action	Lead	Status
24/04/24 Item 4.	The Board requested a progress update on the People Strategy Implementation Plan in 12 months.	Deanna Paulin	April 2025